

In the Senate of the United States,

November 7, 1997.

Resolved, That the bill from the House of Representatives (H.R. 1377) entitled “An Act to amend title I of the Employee Retirement Income Security Act of 1974 to encourage retirement income savings.”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE.***

2 *This Act may be cited as the “Savings Are Vital to*
3 *Everyone’s Retirement Act of 1997”.*

4 ***SEC. 2. FINDINGS AND PURPOSE.***

5 *(a) FINDINGS.—The Congress finds as follows:*

6 *(1) The impending retirement of the baby boom*
7 *generation will severely strain our already overbur-*
8 *dened entitlement system, necessitating increased reli-*
9 *ance on pension and other personal savings.*

10 *(2) Studies have found that less than a third of*
11 *Americans have even tried to calculate how much they*

1 *will need to have saved by retirement, and that less*
2 *than 20 percent are very confident they will have*
3 *enough money to live comfortably throughout their re-*
4 *irement.*

5 *(3) A leading obstacle to expanding retirement*
6 *savings is the simple fact that far too many Ameri-*
7 *cans—particularly the young—are either unaware of,*
8 *or without the knowledge and resources necessary to*
9 *take advantage of, the extensive benefits offered by our*
10 *retirement savings system.*

11 *(b) PURPOSE.—It is the purpose of this Act—*

12 *(1) to advance the public’s knowledge and under-*
13 *standing of retirement savings and its critical impor-*
14 *tance to the future well-being of American workers*
15 *and their families;*

16 *(2) to provide for a periodic, bipartisan national*
17 *retirement savings summit in conjunction with the*
18 *White House to elevate the issue of savings to national*
19 *prominence; and*

20 *(3) to initiate the development of a broad-based,*
21 *public education program to encourage and enhance*
22 *individual commitment to a personal retirement sav-*
23 *ings strategy.*

1 **SEC. 3. OUTREACH BY THE DEPARTMENT OF LABOR.**

2 (a) *IN GENERAL.*—Part 5 of subtitle B of title I of
3 the *Employee Retirement Income Security Act of 1974* (29
4 *U.S.C. 1131 et seq.*) is amended by adding at the end the
5 following new section:

6 “*OUTREACH TO PROMOTE RETIREMENT INCOME SAVINGS*

7 “*SEC. 516. (a) IN GENERAL.*—The Secretary shall
8 maintain an ongoing program of outreach to the public de-
9 signed to effectively promote retirement income savings by
10 the public.

11 “(b) *METHODS.*—The Secretary shall carry out the re-
12 quirements of subsection (a) by means which shall ensure
13 effective communication to the public, including publication
14 of public service announcements, public meetings, creation
15 of educational materials, and establishment of a site on the
16 Internet.

17 “(c) *INFORMATION TO BE MADE AVAILABLE.*—The in-
18 formation to be made available by the Secretary as part
19 of the program of outreach required under subsection (a)
20 shall include the following:

21 “(1) a description of the vehicles currently avail-
22 able to individuals and employers for creating and
23 maintaining retirement income savings, specifically
24 including information explaining to employers, in
25 simple terms, the characteristics and operation of the

1 *different retirement savings vehicles, including the*
2 *steps to establish each such vehicle, and*

3 *“(2) information regarding matters relevant to*
4 *establishing retirement income savings, such as—*

5 *“(A) the forms of retirement income sav-*
6 *ings,*

7 *“(B) the concept of compound interest,*

8 *“(C) the importance of commencing savings*
9 *early in life,*

10 *“(D) savings principles,*

11 *“(E) the importance of prudence and diver-*
12 *sification in investing,*

13 *“(F) the importance of the timing of invest-*
14 *ments, and*

15 *“(G) the impact on retirement savings of*
16 *life’s uncertainties, such as living beyond one’s*
17 *life expectancy.*

18 *“(d) ESTABLISHMENT OF SITE ON THE INTERNET.—*

19 *The Secretary shall establish a permanent site on the*
20 *Internet concerning retirement income savings. The site*
21 *shall contain at least the following information:*

22 *“(1) a means for individuals to calculate their*
23 *estimated retirement savings needs, based on their re-*
24 *tirement income goal as a percentage of their pre-*
25 *retirement income;*

1 “(2) a description in simple terms of the com-
2 mon types of retirement income savings arrangements
3 available to both individuals and employers (specifi-
4 cally including small employers), including informa-
5 tion on the amount of money that can be placed into
6 a given vehicle, the tax treatment of the money, the
7 amount of accumulation possible through different
8 typical investment options and interest rate projec-
9 tions, and a directory of resources of more descriptive
10 information;

11 “(3) materials explaining to employers in simple
12 terms, the characteristics and operation of the dif-
13 ferent retirement savings arrangements for their
14 workers and what the basic legal requirements are
15 under this Act and the Internal Revenue Code of
16 1986, including the steps to establish each such ar-
17 rangement;

18 “(4) copies of all educational materials developed
19 by the Department of Labor, and by other Federal
20 agencies in consultation with such Department, to
21 promote retirement income savings by workers and
22 employers; and

23 “(5) links to other sites maintained on the
24 Internet by governmental agencies and nonprofit or-
25 ganizations that provide additional detail on retire-

1 *ment income savings arrangements and related topics*
 2 *on savings or investing.*

3 “(e) *COORDINATION.*—*The Secretary shall coordinate*
 4 *the outreach program under this section with similar efforts*
 5 *undertaken by other public and private entities.”.*

6 (b) *CONFORMING AMENDMENT.*—*The table of contents*
 7 *in section 1 of such Act is amended by inserting after the*
 8 *item relating to section 514 the following new items:*

“Sec. 515. Delinquent contributions.

“Sec. 516. Outreach to promote retirement income savings.”.

9 **SEC. 4. NATIONAL SUMMIT ON RETIREMENT SAVINGS.**

10 (a) *IN GENERAL.*—*Part 5 of subtitle B of title I of*
 11 *the Employee Retirement Income Security Act of 1974, as*
 12 *amended by section 3 of this Act, is amended by adding*
 13 *at the end the following new section:*

14 “*NATIONAL SUMMIT ON RETIREMENT SAVINGS*

15 “*SEC. 517. (a) AUTHORITY TO CALL SUMMIT.*—*Not*
 16 *later than July 15, 1998, the President shall convene a Na-*
 17 *tional Summit on Retirement Income Savings at the White*
 18 *House, to be co-hosted by the President and the Speaker*
 19 *and the Minority Leader of the House of Representatives*
 20 *and the Majority Leader and Minority Leader of the Sen-*
 21 *ate. Such a National Summit shall be convened thereafter*
 22 *in 2001 and 2005 on or after September 1 of each year*
 23 *involved. Such a National Summit shall—*

1 “(1) advance the public’s knowledge and under-
2 standing of retirement savings and its critical impor-
3 tance to the future well-being of American workers
4 and their families;

5 “(2) facilitate the development of a broad-based,
6 public education program to encourage and enhance
7 individual commitment to a personal retirement sav-
8 ings strategy;

9 “(3) develop recommendations for additional re-
10 search, reforms, and actions in the field of private
11 pensions and individual retirement savings; and

12 “(4) disseminate the report of, and information
13 obtained by, the National Summit and exhibit mate-
14 rials and works of the National Summit.

15 “(b) *PLANNING AND DIRECTION.*—*The National Sum-*
16 *mit shall be planned and conducted under the direction of*
17 *the Secretary, in consultation with, and with the assistance*
18 *of, the heads of such other Federal departments and agencies*
19 *as the President may designate. Such assistance may in-*
20 *clude the assignment of personnel. The Secretary shall, in*
21 *planning and conducting the National Summit, consult*
22 *with the congressional leaders specified in subsection (e)(2).*
23 *The Secretary shall also, in carrying out the Secretary’s*
24 *duties under this subsection, consult and coordinate with*
25 *at least one organization made up of private sector busi-*

1 *nesses and associations partnered with Government entities*
2 *to promote long-term financial security in retirement*
3 *through savings.*

4 “(c) *PURPOSE OF NATIONAL SUMMIT.—The purpose of*
5 *the National Summit shall be—*

6 “(1) *to increase the public awareness of the value*
7 *of personal savings for retirement;*

8 “(2) *to advance the public’s knowledge and un-*
9 *derstanding of retirement savings and its critical im-*
10 *portance to the future well-being of American workers*
11 *and their families;*

12 “(3) *to facilitate the development of a broad-*
13 *based, public education program to encourage and en-*
14 *hance individual commitment to a personal retire-*
15 *ment savings strategy;*

16 “(4) *to identify the problems workers have in set-*
17 *ting aside adequate savings for retirement;*

18 “(5) *to identify the barriers which employers, es-*
19 *pecially small employers, face in assisting their work-*
20 *ers in accumulating retirement savings;*

21 “(6) *to examine the impact and effectiveness of*
22 *individual employers to promote personal savings for*
23 *retirement among their workers and to promote par-*
24 *ticipation in company savings options;*

1 “(7) to examine the impact and effectiveness of
2 government programs at the Federal, State, and local
3 levels to educate the public about, and to encourage,
4 retirement income savings;

5 “(8) to develop such specific and comprehensive
6 recommendations for the legislative and executive
7 branches of the Government and for private sector ac-
8 tion as may be appropriate for promoting private
9 pensions and individual retirement savings; and

10 “(9) to develop recommendations for the coordi-
11 nation of Federal, State, and local retirement income
12 savings initiatives among the Federal, State, and
13 local levels of government and for the coordination of
14 such initiatives.

15 “(d) *SCOPE OF NATIONAL SUMMIT.*—The scope of the
16 National Summit shall consist of issues relating to individ-
17 ual and employer-based retirement savings and shall not
18 include issues relating to the old-age, survivors, and disabil-
19 ity insurance program under title II of the Social Security
20 Act.

21 “(e) *NATIONAL SUMMIT PARTICIPANTS.*—

22 “(1) *IN GENERAL.*—To carry out the purposes of
23 the National Summit, the National Summit shall
24 bring together—

1 “(A) *professionals and other individuals*
2 *working in the fields of employee benefits and re-*
3 *irement savings;*

4 “(B) *Members of Congress and officials in*
5 *the executive branch;*

6 “(C) *representatives of State and local gov-*
7 *ernments;*

8 “(D) *representatives of private sector insti-*
9 *tutions, including individual employers, con-*
10 *cerned about promoting the issue of retirement*
11 *savings and facilitating savings among Amer-*
12 *ican workers; and*

13 “(E) *representatives of the general public.*

14 “(2) *STATUTORILY REQUIRED PARTICIPATION.—*
15 *The participants in the National Summit shall in-*
16 *clude the following individuals or their designees:*

17 “(A) *the Speaker and the Minority Leader*
18 *of the House of Representatives;*

19 “(B) *the Majority Leader and the Minority*
20 *Leader of the Senate;*

21 “(C) *the Chairman and ranking Member of*
22 *the Committee on Education and the Workforce*
23 *of the House of Representatives;*

1 “(D) the Chairman and ranking Member of
2 the Committee on Labor and Human Resources
3 of the Senate;

4 “(E) the Chairman and ranking Member of
5 the Special Committee on Aging of the Senate;

6 “(F) the Chairman and ranking Member of
7 the Subcommittees on Labor, Health and
8 Human Services, and Education of the Senate
9 and House of Representatives; and

10 “(G) the parties referred to in subsection
11 (b).

12 “(3) *ADDITIONAL PARTICIPANTS.*—

13 “(A) *IN GENERAL.*—There shall be not more
14 than 200 additional participants. Of such addi-
15 tional participants—

16 “(i) one-half shall be appointed by the
17 President, in consultation with the elected
18 leaders of the President’s party in Congress
19 (either the Speaker of the House of Rep-
20 resentatives or the Minority Leader of the
21 House of Representatives, and either the
22 Majority Leader or the Minority Leader of
23 the Senate; and

24 “(ii) one-half shall be appointed by the
25 elected leaders of Congress of the party to

1 *which the President does not belong (one-*
2 *half of that allotment to be appointed by ei-*
3 *ther the Speaker of the House of Representa-*
4 *tives or the Minority Leader of the House of*
5 *Representatives, and one-half of that allot-*
6 *ment to be appointed by either the Majority*
7 *Leader or the Minority Leader of the Sen-*
8 *ate).*

9 “(B) *APPOINTMENT REQUIREMENTS.—The*
10 *additional participants described in subpara-*
11 *graph (A) shall be—*

12 “(i) *appointed not later than January*
13 *31, 1998;*

14 “(ii) *selected without regard to politi-*
15 *cal affiliation or past partisan activity;*
16 *and*

17 “(iii) *representative of the diversity of*
18 *thought in the fields of employee benefits*
19 *and retirement income savings.*

20 “(4) *PRESIDING OFFICERS.—The National Sum-*
21 *mit shall be presided over equally by representatives*
22 *of the executive and legislative branches.*

23 “(f) *NATIONAL SUMMIT ADMINISTRATION.—*

24 “(1) *ADMINISTRATION.—In administering this*
25 *section, the Secretary shall—*

1 “(A) request the cooperation and assistance
2 of such other Federal departments and agencies
3 and other parties referred to in subsection (b) as
4 may be appropriate in the carrying out of this
5 section;

6 “(B) furnish all reasonable assistance to
7 State agencies, area agencies, and other appro-
8 priate organizations to enable them to organize
9 and conduct conferences in conjunction with the
10 National Summit;

11 “(C) make available for public comment a
12 proposed agenda for the National Summit that
13 reflects to the greatest extent possible the pur-
14 poses for the National Summit set out in this
15 section;

16 “(D) prepare and make available back-
17 ground materials for the use of participants in
18 the National Summit that the Secretary consid-
19 ers necessary; and

20 “(E) appoint and fix the pay of such addi-
21 tional personnel as may be necessary to carry
22 out the provisions of this section without regard
23 to provisions of title 5, United States Code, gov-
24 erning appointments in the competitive service,
25 and without regard to chapter 51 and subchapter

1 *III of chapter 53 of such title relating to classi-*
2 *fication and General Schedule pay rates.*

3 “(2) *DUTIES.—The Secretary shall, in carrying*
4 *out the responsibilities and functions of the Secretary*
5 *under this section, and as part of the National Sum-*
6 *mit, ensure that—*

7 “(A) *the National Summit shall be con-*
8 *ducted in a manner that ensures broad partici-*
9 *ipation of Federal, State, and local agencies and*
10 *private organizations, professionals, and others*
11 *involved in retirement income savings and pro-*
12 *vides a strong basis for assistance to be provided*
13 *under paragraph (1)(B);*

14 “(B) *the agenda prepared under paragraph*
15 *(1)(C) for the National Summit is published in*
16 *the Federal Register; and*

17 “(C) *the personnel appointed under para-*
18 *graph (1)(E) shall be fairly balanced in terms of*
19 *points of views represented and shall be ap-*
20 *pointed without regard to political affiliation or*
21 *previous partisan activities.*

22 “(3) *NONAPPLICATION OF FACA.—The provisions*
23 *of the Federal Advisory Committee Act (5 U.S.C.*
24 *App.) shall not apply to the National Summit.*

1 “(g) *REPORT.*—*The Secretary shall prepare a report*
2 *describing the activities of the National Summit and shall*
3 *submit the report to the President, the Speaker and Minor-*
4 *ity Leader of the House of Representatives, the Majority*
5 *and Minority Leaders of the Senate, and the chief executive*
6 *officers of the States not later than 90 days after the date*
7 *on which the National Summit is adjourned.*

8 “(h) *DEFINITION.*—*For purposes of this section, the*
9 *term ‘State’ means a State, the District of Columbia, the*
10 *Commonwealth of Puerto Rico, the Commonwealth of the*
11 *Northern Mariana Islands, Guam, the Virgin Islands,*
12 *American Samoa, and any other territory or possession of*
13 *the United States.*

14 “(i) *AUTHORIZATION OF APPROPRIATIONS.*—

15 “(1) *IN GENERAL.*—*There is authorized to be ap-*
16 *propriated for fiscal years beginning on or after Octo-*
17 *ber 1, 1997, such sums as are necessary to carry out*
18 *this section.*

19 “(2) *AUTHORIZATION TO ACCEPT PRIVATE CON-*
20 *TRIBUTIONS.*—*In order to facilitate the National*
21 *Summit as a public-private partnership, the Sec-*
22 *retary may accept private contributions, in the form*
23 *of money, supplies, or services, to defray the costs of*
24 *the National Summit.*

1 “(j) *FINANCIAL OBLIGATION FOR FISCAL YEAR*
2 *1998.—The financial obligation for the Department of*
3 *Labor for fiscal year 1998 shall not exceed the lesser of—*

4 “(1) *one-half of the costs of the National Sum-*
5 *mit; or*

6 “(2) *\$250,000.*

7 *The private sector organization described in subsection (b)*
8 *and contracted with by the Secretary shall be obligated for*
9 *the balance of the cost of the National Summit.*

10 “(k) *CONTRACTS.—The Secretary may enter into con-*
11 *tracts to carry out the Secretary’s responsibilities under this*
12 *section. The Secretary shall enter into a contract on a sole-*
13 *source basis to ensure the timely completion of the National*
14 *Summit in fiscal year 1998.”.*

15 “(b) *CONFORMING AMENDMENT.—The table of contents*
16 *in section 1 of such Act, as amended by section 3 of this*
17 *Act, is amended by inserting after the item relating to sec-*
18 *tion 516 the following new item:*

 “*Sec. 517. National Summit on Retirement Savings.*”.

Attest:

Secretary.

105TH CONGRESS
1ST SESSION

H. R. 1377

AMENDMENT

HR 1377 EAS—2

HR 1377 EAS—3

HR 1377 EAS—4

HR 1377 EAS—5